



## News Release

***For immediate release: 12-18-2003***

# Kao Specialties Americas to build \$13 million resin manufacturing plant in High Point

*Company to expand its production of toner binder resins used in toner for copiers, printers, and fax machines*

HIGH POINT, NC -- December 18, 2003 -- Kao Specialties Americas LLC announced today that construction will soon begin on a new \$13 million state-of-the-art polyester resin manufacturing plant at its headquarters in High Point, North Carolina. This new facility is expected to double current manufacturing capacity. Kao Specialties Americas LLC is a leading USA supplier of specialty chemicals for the reprographics, personal care, pulp and paper, agricultural, petrochemical, food / fermentation, and plastics markets.

The \$13 million, four-story, 18,000 square foot facility will produce polyester toner binder resins which are formulated into toner for use in copiers, printers, and fax machines. Toner binder resin is a critical ingredient that binds colorants to paper during the electrophotographic process. The new facility is scheduled to begin operation in November 2004.

In making the announcement, Harvey Lowd, Kao Specialties Americas LLC's president and chief executive officer, said, "This is our fifth significant capital project in twelve years that Kao Corporation has supported. The first was our surfactants facility built in 1991, followed by a \$3 million secondary wastewater treatment facility completed in 1993, followed by our first toner binder facility completed in 1996 and subsequently expanded in 1998. Our toner binder chemistry is the most advanced in the market and underlines our continuous commitment to innovative, customer-focused technology developments."

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**High Point Economic Development Corporation**

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North Carolina's Piedmont Triad

According to Terry Singleton, Vice President, Imaging Materials Business, one of the keys to consistently supplying the highest quality toner binder resin in the market lies in careful control of key intermediates produced in KSA's surfactants facility also located at the same plant complex. "Through vertical-integration, we are able to capitalize on our in-house surfactants manufacturing expertise which has been a pivotal chemistry for Kao Corporation for many years."

Loren Hill, President of the High Point Economic Development Corp., said, "The continued growth of Kao Specialties is great news for both the company and the community. I had the honor of visiting the Kao facility recently and am impressed by their plans, their products, and their personnel."

High Point Mayor Rebecca Smothers said, "For 58 years, Kao and its predecessor, High Point Chemical, have been an outstanding corporate citizen. I applaud them for their success and am grateful that they continue to invest in High Point."

Founded in 1945, Kao Specialties Americas LLC is a wholly-owned subsidiary of Kao Corporation, Tokyo, Japan. Kao Corporation is an \$8 billion dollar conglomerate established in 1887 that develops, manufactures and sells products into the personal care, household, cosmetic and chemical markets.

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